

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - -	x
	:
UNITED STATES OF AMERICA	<u>STIPULATION AND ORDER</u>
	:
-v.-	S1 16 Cr. 535 (CS)
	:
MICHAEL KLEIN,	:
	:
Defendant.	:
- - - - -	x

WHEREAS, on or about February 6, 2017, MICHAEL KLEIN (the "Defendant"), was charged in a nine-count Superseding Indictment, S1 16 Cr. 535 (CS) (the "Indictment"), with wire fraud, in violation of Title 18, United States Code, Sections 1343 and 2 (Count One), subscribing to false tax returns for the years 2009 through 2014 inclusive, in violation of Title 26, United States Code, Section 7206(1) (Counts Two through Seven), obstruction of a Grand Jury's investigation, in violation of Title 18, United States Code, Sections 1512(c)(2) and 2 (Count Eight), and making false statements to the United States Attorney, in violation of Title 18, United States Code, Section 1001 (Count Nine);

WHEREAS, the Indictment included a forfeiture allegation as to Count One of the Indictment, seeking, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), the forfeiture of all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense charged in Count One of

the Indictment;

WHEREAS, the Indictment also included a substitute asset provision providing notice that if as a result of the Defendant's actions or omissions forfeitable property was unable to be located or obtained, the United States would seek, pursuant to Title 21, United States Code, Section 853(p), the forfeiture of any other property of the Defendant up to the value of the Indictment property;

WHEREAS, on or about March 7, 2017, the Defendant pled guilty to Counts One through Nine of the Indictment;

WHEREAS, on or about March 7, 2017, the Court entered a Consent Preliminary Order of Forfeiture as to Specific Property/Money Judgment, which imposed a money judgment against the Defendant, in the amount of \$5,675,360.49 in United States currency, (the "Money Judgment"), and ordered the forfeiture of all of the Defendant's right title and interest in various assets (the "First Order of Forfeiture") (Docket Entry 34);

WHEREAS, on or about July 24, 2019, the Court entered a Second Preliminary Order of Forfeiture as to Substitute Assets(the "Second Substitute Asset Order") (Docket Entry 68), which ordered the forfeiture of Defendant's right, title, and interest in, *inter alia*, the following property:

(1) Envelope containing (4pcs) Series EE Savings Bonds:

a. \$50 US Savings Bond Series EE L54999147EE;

b. \$200 US Savings Bond Series EE R122802077EE;
c. \$200 US Savings Bond R122802078EE; and
d. \$500 US Savings Bond D66714488EE;
(the "Subject Property");

WHEREAS, the Subject Property is currently in the possession of the Government;

WHEREAS, the Notice of Forfeiture and the intent of the United States to dispose of the Subject Property was posted on an official government internet site (www.forfeiture.gov) beginning on October 11, 2019 for thirty (30) consecutive days, through December 11, 2019, pursuant to Rule G(4)(a)(iv)(C) of the Supplemental Rules for Admiralty and Maritime Claims and Asset Forfeiture Actions and proof of such publication was filed with the Clerk of the Court on May 1, 2020(D.E. 72);

WHEREAS, on or about August 23, 2019 and October 4, 2019 notice of the Preliminary Order of Forfeiture was sent by Federal Express, to:

- a. William Reich;
- b. Michael Pastore;
- c. Alan Klein;
- d. Angela D. Lipsman;
- e. Wendy Klein;
- f. Abigayil Klein;
- g. Michael Klein;

(the "Noticed Parties");

WHEREAS, Abigayil Klein (the "Claimant") has advised the Government of her potential interest in the Subject Property;

WHEREAS, the United States and the Claimant wish to resolve this matter without further litigation;

IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned parties, as follows:

1. Government shall not seek forfeiture of the Subject Property and shall release the Subject Property to Abigayil Klein.

2. The Claimant is hereby barred from asserting, or assisting others in asserting, any claim against the United States (including but not limited to the Department of Justice ("DOJ"), the United States Attorney's Office for the Southern District of New York ("SDNY-USAO"), the Federal Bureau of Investigation ("FBI"), and the United States Marshals Service ("USMS"), and any agents and employees of the United States, in connection with or arising out of the seizure, restraint, and/or constructive possession of the Subject Property, including, but not limited to, any claim that there was no probable cause to seize the Subject Property, that the Claimant is a prevailing party, or that the Claimant is entitled to attorney's fees or any award of interest.

3. The Claimant represents that she is the sole owner of the Subject Property and agrees to hold harmless the United States (including but not limited to the DOJ, the SDNY-USAO, the

FBI and the USMS), and any agents and employees of the United States, from any and all claims in connection with or arising out of the seizure, restraint, and/or constructive possession of the Subject Property, including but not limited to any third-party claims of ownership of the Subject Property.

4. The Claimant hereby agrees to waive all rights to appeal or otherwise challenge or contest the validity of this Stipulation and Order for Release.

5. Each party to this Stipulation and Order shall bear its own costs and attorney's fees.

6. The parties hereby waive all rights to challenge or contest the validity of this Stipulation and Order.

7. This Stipulation and Order may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall be deemed the complete Stipulation and Order. Fax or PDF copies shall be treated as originals.

Agreed and consented to:

GEOFFREY S. BERMAN
United States Attorney for the
Southern District of New York



By: _____

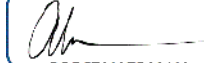
Olga I. Zverovich
Assistant United States Attorney
One St. Andrew's Plaza
New York, New York 10007
Tel.: (212) 637-2514

5/1/2020

DATE

By: _____

DocuSigned by:



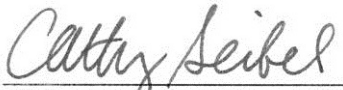
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Abigail Klein

4/30/2020

DATE

SO ORDERED.



CATHY SEIBEL, U.S.D.J.

X

~~XXXXXXXXXX~~
~~JUDGE~~

5/4/20

DATE